

Life Checkup

RETIREMENT WORKSHEET

Client name _____

Step 1: IDENTIFYING PRIORITIES

Rank your top three goals and concerns with 1 being the highest.

Goals

- ____ Retire early
- ____ Create a steady stream of income
- ____ Volunteer
- ____ Leave a legacy
- ____ Travel/hobbies
- ____ Go to school
- ____ Other

Concerns

- ____ Taxes
- ____ Inflation
- ____ Market declines
- ____ Lack of guaranteed income
- ____ Longevity
- ____ Increasing medical costs
- ____ Outliving savings
- ____ Uncertain interest rates
- ____ Risk tolerance
- ____ Care giving
- ____ Other

Step 2: DETERMINING READINESS

Determine your retirement readiness by completing the following series of questions.

A. Are you contributing to your retirement plan? ☐ Yes ☐ No

B. If you are over age 50, have you taken advantage of the catch-up contribution? ☐ Yes ☐ No

C. How much income will you need to retire?

The rule of thumb is to be prepared to replace 80-90% of your annual pre-retirement income in retirement.

Your current annual salary: \$_____

x 0.90

Your retirement income need: \$_____ (C)

Distributions from pre-tax retirement plans are taxed as ordinary income and, if taken prior to reaching age 59½ may be subject to an additional 10% federal income tax penalty. Your ability to liquidate assets and your return on assets is dependent upon market conditions

Assets may not be readily converted into cash.

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D. What are your streams of income?

Estimate Your Income From Social Security. The amount you will receive from social security is unknown, however you may want to use 40% of your pre-retirement salary as an estimate of your benefit. Your benefits from social security may be significantly reduced if participating in a state pension plan. Check with your employer. For social security benefit figures, refer to Replacement Rates at www.NASI.org.

Your current annual salary: \$ _____

x 0.40

Approx Social Security Benefit: \$ _____

Estimated Income from a Pension Plan. The amount you can anticipate to receive from a pension plan can vary. Consider using a 40% replacement if you do not contribute to social security, or a 20% replacement if you do contribute to social security.

Your current annual salary \$ _____

x .40 (no SS) or x .20 (with SS)

Approx. Pension Benefit: \$ _____ / year

Other Retirement Income (part time job, rental property)

Other Income: \$ _____

Total streams of income: \$ _____ (D)

E. What are my current retirement savings?

Type

Account Value

403(b)/457(b)/401(k) plan \$ _____

IRA \$ _____

other \$ _____

Future lump sum deposits expected (e.g., inheritance):

\$ _____

Total current retirement savings \$ _____ (E)

F. Years in retirement _____ (F)

G. Income from Current Retirement Savings

\$ _____ / year (G)

(E) divided by (F)

H. How much more income is needed to address your expected retirement expenses?

This is your retirement income gap, or annual income shortfall

\$ _____

(C) minus (D) minus (G)

Step 3: SELECTING SOLUTIONS

Take your next step. Consider these solutions to help achieve your retirement goals.

☐ Increase contributions annually

☐ Put any salary increases or bonuses into savings

☐ Retire at a later date

☐ When over age 50, take advantage of additional catch-up provision

☐ Save in an annuity that provides steady stream of income for life

☐ Deposit any tax refunds into an IRA

☐ Take advantage of additional savings with an IRA

☐ Reduce anticipated retirement expenses

This analysis is based on the information you supplied. Please note there are no guarantees that any goals or objectives will be reached.

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